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888 SIXTEENTH STREET, N.W.
WASHINGTON, D.C. 20006-4103
202-296-8600

May 15, 1997

RECORDATION NO. 19361-B FILED

VIA OVERNIGHT COURIER

Mr. Vernon A. Williams
Secretary
Office of the Secretary
The Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423

Attention: Janice Fort, Room 704

MAY 16 '97

11-28AM

MAY 16 11 28 AM '97

RECEIVED
SURFACE TRANSPORTATION
BOARD

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two original executed copies and two photostatic copies of a Memorandum of Lease Agreement, dated as of April 25, 1997 (the "Memorandum of Lease"), between Citicorp Railmark, Inc. ("Lessor") and Union Pacific Railroad Company ("Lessee"), which Memorandum of Lease is a secondary document as defined in the Commission's Rules for the Recordation of Documents. The Memorandum of Lease relates to that certain Railcar Net Leasing Agreement, dated as of December 21, 1994 (the "Lease") and Rider 2 to the Lease, dated as of April 25, 1997, between Lessor and Lessee. A Memorandum of Lease Agreement, dated as of December 21, 1994, between Lessor and Lessee relating to the Lease and Rider 1 thereto, dated as of December 21, 1994, was duly recorded and filed with The Surface Transportation Board pursuant to 49 U.S.C. Section 11301 on April 19, 1995 and assigned Recordation Number 19361, and is a primary document as defined in the Commission's Rules for the Recordation of Documents.

The names and addresses of the parties to the enclosed Memorandum of Lease are:

Lessor: Citicorp Railmark, Inc.
450 Mamaroneck Avenue
Harrison, New York 10528

Mr. Vernon A. Williams
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Page 2

Lessee: Union Pacific Railroad Company
1416 Dodge Street
Omaha, Nebraska 68178

A description of the railroad equipment covered by the enclosed document is set forth in the Memorandum of Lease.

Also enclosed is a check in the amount of \$24.00 payable to the order of The Surface Transportation Board covering the required recordation fee.

Kindly return one stamped original copy, the two stamped photostatic copies of the enclosed document and the stamped photostatic copy of this letter to Susan F. Lifvendahl at Ross & Hardies, 150 North Michigan Avenue, Suite 3100, Chicago, Illinois 60601.

Following is a short summary of the enclosed document:

Document to be Recorded

Memorandum of Lease Agreement, dated as of April 25, 1997 between Citicorp Railmark, Inc., as Lessor, and Union Pacific Railroad Company, as Lessee, covering 245 open top hopper cars.

Primary Document to Which it Relates

Memorandum of Lease Agreement, dated as of December 21, 1994, between Lessor and Lessee relating to the Railcar Net Leasing Agreement, dated as of December 21, 1994 and Rider 1 thereto, dated as of December 21, 1994, between Lessor and Lessee, which was duly recorded and filed with The Surface Transportation Board pursuant to 49 U.S.C. Section 11301 on April 19, 1995 and assigned Recordation Number 19361.

Very truly yours,


Susan F. Lifvendahl

SFL/jma
w/encl.

cc: Robert W. Kleinman
Susan G. Lichtenfeld

Surface Transportation Board
Washington, D.C., 20423-0001

Susan F. Lifvendahl
Ross & Hardies
150 North Michigan Avenue
Chicago, Illinois 60601-7567

5/16/97

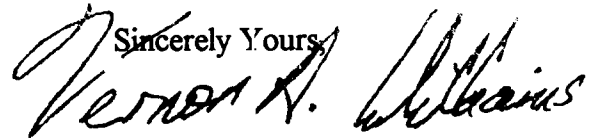
Dear: Madam:

The enclosed document(s) was recorded pursuant to the provisions of 49 U.S.C. 11301

and 49 CFR 1177.3 (c), on 5/16/97 at, 11:28AM and

assigned recordation number(s). 19361-B.

Sincerely Yours,

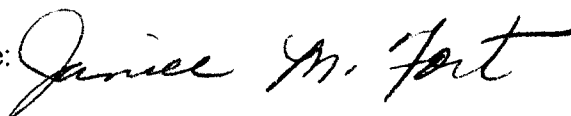


Vernon Williams
Secretary

Enclosed (s)

\$ 24.00 The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid. In the event of an error or any questions concerning this fee, you will receive a notification after the Surface Transportation Board has had an opportunity to examine your document.

Signature:



RECORDATION NO. 19361-B FILED

MAY 16 '97

11-28AM

MEMORANDUM OF LEASE AGREEMENT

This Memorandum of Lease Agreement is made and entered into as of April 25, 1997, by and between Citicorp Railmark, Inc., (hereinafter referred to as "Lessor") and Union Pacific Railroad Company (hereinafter referred to as "Lessee"), respecting that certain Railcar Net Leasing Agreement dated as of December 21, 1994, between Lessor and Lessee (the "Lease"), and Rider 2 thereto dated as of April 25, 1997 ("Rider 2").

Pursuant to the provisions of the Lease and Rider 2, Lessor and Lessee hereby acknowledge and affirm that:

1. For good and valuable consideration, Lessor is leasing to Lessee and Lessee is leasing from Lessor 245 100-ton open top hopper railcars described on Schedule 1 hereto (the "Railcars").

2. The term of the Lease for any Railcar under Rider 2 shall commence on April 25, 1997 and shall terminate on the tenth anniversary of the day the last Railcar is accepted by Lessee under Rider 2, provided that the Lease may be sooner terminated or extended as provided therein.

3. Lessor and Lessee further acknowledge and affirm that this Memorandum of Lease Agreement is not a summary of either the Lease or Rider 2 nor a complete recitation of the terms and provisions thereof. Accordingly, Lessor and Lessee hereby agree that in the event of a conflict between this Memorandum of Lease Agreement and the provisions of the Lease or Rider 2, the provisions of the Lease or Rider 2, as the case may be, shall control.

4. A Memorandum of Lease Agreement, dated as of December 21, 1994 between Lessor and Lessee relating to the Lease and Rider 1 thereto, dated as of December 21, 1994, was filed with the Surface Transportation Board on April 19, 1995 and assigned Recordation Number 19361.

IN WITNESS WHEREOF, each of the parties hereto, pursuant to due corporate authority, has caused this Memorandum of Lease Agreement to be duly executed in its corporate name by its officers, thereunto duly authorized, all as of the date first above written and each of the undersigned signatories declares pursuant to 28 U.S.C. § 1746 under penalty of perjury under the laws of the United States of America that the foregoing is a true and correct document and was executed and delivered as of the date first above written.

CITICORP RAILMARK, INC.

By: Vassos Kyprianou
Name: VASSOS KYPRIANOU
Title: VICE PRESIDENT

UNION PACIFIC RAILROAD COMPANY


By: Charles R. Eisele
Name: Charles R. Eisele
Title: Vice President-Purchasing

STATE OF NEW YORK)
)
COUNTY OF WESTCHESTER)

On this 12th day of May, 1997, before me personally appeared VASSOS KYPRIANOU, to me personally known who, being by me duly sworn, says that he is VICE PRESIDENT of CITICORP RAILMARK, INC., that one of the seals affixed to the foregoing instrument is the seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledge that the execution of the foregoing instrument was the free act and deed of said corporation.

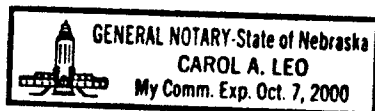
[Notary Seal]

My Commission Expires


Notary Public
ROBERT R. GOLDBERG
Notary Public, State of New York
No. 4690571
Qualified in Westchester County
Commission Expires November 30, 1997

STATE OF NEBRASKA)
)
COUNTY OF DOUGLAS)

On this 8th day of May, 1997, before me personally appeared Charles R. Eisele, to me personally known who, being by me duly sworn, says that he is Vice President-Purchasing of UNION PACIFIC RAILROAD COMPANY, that one of the seals affixed to the foregoing instrument is the seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledge that the execution of the foregoing instrument was the free act and deed of said corporation.



[Notary Seal]

My Commission Expires October 7, 2000


Notary Public

SCHEDULE 1

245 100-TON OPEN TOP HOPPER CARS COVERED UNDER RIDER 2

(All inclusive)

SP481150 - SP481244
SP481246 - SP481268
SP481270 - SP481299
SP481301 - SP481322
SP481324 - SP481353
SP481355 - SP481399